

**COLLECTIVE AGREEMENT
BETWEEN
ENBRIDGE GAS DISTRIBUTION**

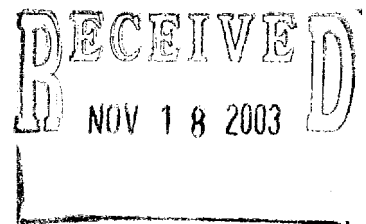
And

THE COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION

Local 975

JANUARY 1, 2003

TO DECEMBER 31, 2003



12615(02)

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**ARTICLE 1
RECOGNITION**

- 1.01 Enbridge Gas Distribution hereinafter referred to as the Company recognizes the Communications, Energy and Paperworkers Union Local 975, hereinafter referred to as the Union, as the sole bargaining agent for:
- A) All clerical and laboratory employees, save and except Niagara Region non operating employees, supervisors, those above the rank, residential/commercial sales associates, energy management consultants, account associates, secretaries to department managers, those above that rank, those employees in the Human Resources, Budget, Regulatory Affairs and Corporate Affairs departments, and clerical persons who normally work 24 hours per week or less in the Central Region of Enbridge Gas Distribution
 - B) All operations employees save and except supervisors, those above that rank and those working out of the Grimsby office.

ARTICLE 2
UNION MANAGEMENT CO-OPERATION

- 2.01 Conferences between the Company representatives and the negotiating committee to discuss matters other than grievances shall be called when mutually agreed upon. Matters to be discussed at any such conference shall be listed in an agenda to be supplied by the party requesting the conference to the other party not less than forty-eight (48) hours before the time for which the conference is arranged.
- 2.02 The Union Safety representatives may request meetings with Company Safety representatives and, sufficient notice having been given, such meetings shall be held as soon as possible thereafter. Either party or both parties may make recommendations to their principals, and pass on information resulting from these meetings.
- 2.03 The parties agree that the "Involvement Philosophy Statement" will be used to strengthen the relationship and reflect the way in which the parties will work together in the future. (See Letter of Understanding)
- 2.04 The Company and the Union recognize the importance of a strong commitment to the Health and Safety of its work force and therefore agree and commit to the following:
- A) Compliance with a standard that, as a minimum, meet all applicable laws and regulations as of April, 1998, and reflect applicable industry standards.
 - B) That the Company will provide and maintain a safe and healthy work environment, safe equipment and will follow operating practices that will safeguard all employees and the public.
 - C) The elimination of the source of dangers to the health, safety and physical well being of its employees is of paramount importance.
 - D) That procedures are in place to ensure the efficient delivery of, and accessibility to, Health and Safety Training.
 - E) That the Company and the Union will work together to ensure all employees are aware of their rights and obligations with respect to these commitments.
 - F) That unacceptable performance of health and safety responsibilities will not be tolerated.
 - G) Development and communication of a Safety Management System.
- 2.05 The Company and the Union also recognize the importance of Joint Health and Safety Committees, comprised of knowledgeable employees, to achieving these commitments and agree to ensure that the committees have the necessary support to fulfil their role.

ARTICLE 3
RESERVATIONS TO MANAGEMENT

- 3.01 The Union recognizes the right of the Company to operate and manage its (the Company's) business in all respects.
- 3.02 The right to hire, manage the working force, and maintain order and efficiency is the exclusive responsibility of Management, provided there is no conflict with the terms of this Agreement.
- 3.03 The right to promote and the right to discipline and discharge for cause are likewise the exclusive responsibility of Management, provided that claims of discriminatory promotions and wrongful or unjust discipline or discharge shall be subject to the grievance procedure herein provided.

ARTICLE 4
STRIKES OR LOCKOUTS

4.01 The Union and the Company recognize their respective and unusual responsibilities to the public constantly being served by the Company and therefore, pledge that there shall not be any resort to lockouts, strikes or any other collective action which will interfere in any way with the gas supply, production distribution or utilization during the term of this Agreement.

ARTICLE 5
CHECK-OFF OF UNION DUES

- 5.01 The Company agrees that a check-off of the Union dues shall be made on a weekly basis from the salary of all Union members and that dues will commence from the first week of employment for all new employees.
- 5.02 The Union shall notify the Company of the amounts of dues on the effective date of this Agreement. Such amounts shall be subject to change at the request of the Union once each three-month period during the life of this Agreement. Such deductions will be remitted to the Secretary-Treasurer of the Union within one week of the deduction and shall be accompanied by a list of the employees from whom the deductions have been made and their addresses will be forwarded to the Treasurer of the Union. Such deductions will be remitted into the Unions account.
- 5.03 Upon not less than 30 days' notice from the Secretary-Treasurer of the Union, the Company shall check off a special assessment of one or more weeks' duration from the salary of all Union members, no more than once in each three month period during the term of this Agreement, provided that a copy of the minutes relating assessment, certified by the Secretary of the Union, is forwarded with the requests. Such deductions will be remitted into the Unions account within one week of the deduction.

ARTICLE 6 UNION SECURITY

- 6.01 Employees covered by the terms of this Agreement who enter the Company's service shall, as a condition of continued employment, become members of the Union and remain members in good standing in accordance with the constitution and by-laws of the Union for the duration of this Agreement.
- 6.02 An employee elected **or** appointed to a full-time office in the Union which requires a continuous and extended absence from regular work, shall upon written application therefore, be granted such leave of absence without pay, **and** without **loss** of seniority for such time as the office is held, to a maximum leave of **two** years, after which further leave may be granted at the discretion of the Company. It is the condition of reinstatement to their former position that the employee apply therefore within thirty (30) calendar days after the expiration of this term of office with the Union, and that they are competent to perform the work.
- 6.03 Members of the Union when delegated or elected to transact **bonafide** business pertaining to the Local Union, shall upon written application therefore made at least forty-eight (**48**) hours prior, be granted time off without pay.
- 6.04 With respect to business pertaining to the Communications, Energy and Paperworkers Union leaves will be granted provided 14 days' notice given. In the event that leaves of absence granted under this clause unduly interfere with the operation of a department, the Company and the Union shall discuss possible alternate arrangements; however, failing to agree on alternate arrangements, said leaves of absence shall not be withheld. If a substitute is agreed upon as an alternate arrangement the substitute shall receive the same pay as the absent employee would have received. There is commitment not to interfere with operations.
- 6.05 The Company agrees that no employee shall suffer **loss** of normal salary while attending Company - Union meetings.
- 6.06 The Company and the Union agree that there will be no discrimination against employees due to union involvement.
- 6.07 The Company recognizes the Local Union shall require a full-time **officer**. The terms and conditions are documented in an attached Letter of Understanding.
- 6.08 The Company shall recognize Stewards, appointed by the Union. The Union shall provide the Company with an up to date list.
- 6.09 The Company agrees to provide bulletin boards, for the posting of Union notices. It is understood that **a** copy of these notices shall be submitted to the Human Resources Department prior to posting.


ARTICLE 7
NEGOTIATING COMMITTEE

7.01 The Company agrees that a Negotiating Committee not to exceed ten (10) in number, selected by the Union, shall be recognized as the authorized representatives of the employees on any proposed renewal or revision of this Agreement. This committee may be augmented by representatives of the Communications, Energy and Paper Workers Union.


**ARTICLE 8
DURATION OF AGREEMENT**

- 8.01 This Agreement shall become effective on January 1, 2003 and shall remain in effect until December 31, 2003, and thereafter shall continue in effect until one party hereto notifies the other party within sixty (60) days of the anniversary date of this Agreement or any extension thereof that such party elects to modify or amend this Agreement.
- 8.02 Notice of termination, addition to, or revision of any or all of this Agreement's provisions require that negotiation on such proposals commence no sooner that ten (10) days after December 1, 2003.
- 8.03 Should this Agreement be allowed to continue in effect automatically after December 1, 2003 any or all of its provisions may be terminated at any time thereafter on two (2) months notice by either party thereto, negotiations commencing no sooner than ten (10) days and no later than thirty (30) days from date of such notice.
- 8.04 All Appendices to this Agreement shall form part of this Agreement.

FOR THE UNION



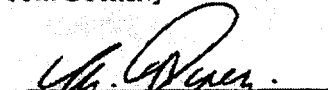
Ian Craig



Dave Moffat



Tom Docherty



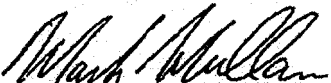
Bill Dyer



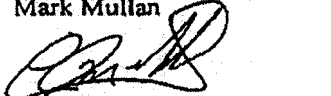
Sue Petruzzellis



Terry Ball

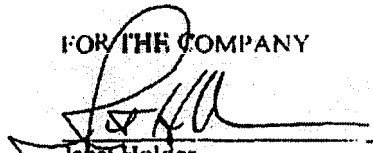


Mark Mullan

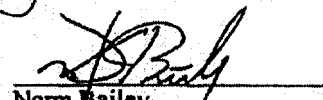


Chris McDonald

FOR THE COMPANY



Janet Holder



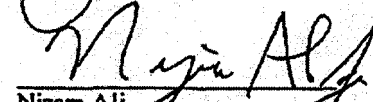
Norm Bailey




Jane Haberbush



Jamie Milner



Nizam Ali



Mike Mees

Dated this 30th day of April, 2003 in Toronto, Ontario.

ARTICLE 9

NEW EMPLOYEES

- 9.01 New employees shall be considered to be on probation until they have completed three (3) months of continuous service. Probationary employees have no rights under the collective agreement except for hours of work, rates of pay and statutory holidays. This three-month period may be extended by a maximum of three (3) months by agreement between the Company and the Union. The Company will notify the Union in writing of any termination of a probationary employee.

**ARTICLE 10
SENIORITY**

- 10.01 The purpose of rules respecting seniority is to give employees an equitable measure of security based on length of service with the Company.
- 10.02 Upon completion of the probationary period, seniority shall become effective for new employees from the date of entry into the service of the Company.
- 10.03 For full time exempt, temporary and part time exempt employees entering the bargaining unit, seniority with respect to **job postings** and layoff will be calculated from the date of entry into the Bargaining Unit, unless otherwise negotiated.
- 10.04 Seniority shall not be broken by leave of absence in writing granted by an official of the Company or by illness attested to by a physician's certificate.
- 10.05 Seniority shall be lost for any of the following reasons:
- A) if the employee voluntarily leaves the employ of the Company;
 - B) if the employee is discharged and is not reinstated pursuant to the provisions of the grievance procedure;
 - C) in the event of a lay-off for a period of twenty-four (24) consecutive months;
 - D) If an employee voluntarily leaves Local 975 for a period of twenty four **(24)** consecutive months;
 - E) Is absent from work for a period of ten (10) working days without satisfactory notification to the Company. This shall be deemed a voluntary resignation. Circumstances beyond the control of the employee will be taken into consideration. The Union will be notified after five (5) days of no report.
- 10.06 Officers and Shop Stewards of the Union, during their terms of Office in the Union, shall head the seniority list. This clause will not apply when considering seniority for promotion or vacation.
- 10.07 Unit seniority lists showing company seniority, and identifying unit seniority (if applicable) shall be posted on all bulletin boards and a copy sent to the secretary of the units. This list shall be revised every six **(6)** months.

**ARTICLE 11
JOB POSTINGS**

- 11.01 The Company will determine when a vacancy exists. The vacancy will be filled in the following order:
1. Post the job vacancy in the region, for a period of seven (7) days. Where qualifications are equal the applicant with the most seniority shall be awarded the position.
 2. Post the job vacancy Company wide, for a period of seven (7) days. Where qualifications are equal the applicant with the most seniority shall be awarded the position.
 3. The Company will hire externally.
- 11.02 Within ten (10) working days of such original posting, the Company will post the notice indicating the successful applicant for the position. The Union will be advised of all the applicants.
- 11.03 Applicants for positions below Range 7 received from employees who were accepted for their current position within **six (6)** months prior to the date of any posting for which they may apply, will be accepted at the sole discretion of the Company. Unless such application is accepted, these employees will be ineligible for posting purposes under this article. Acceptance of applications will not be unreasonably denied.
- 11.04 In the event that a successful applicant proves unsuitable on a posted job, the Company will attempt to relocate the employee to a suitable position.
- 11.05 Any unsuccessful applicant, whose seniority is greater than the successful applicant has the right to apply for an opportunity to demonstrate their ability, provided the application is made within seven (7) calendar days following written notice that the applicant was not accepted. Any decision made for filling of such vacancies inconsistent with this article would be subject of a grievance and processed under the grievance procedure. The unsuccessful applicant with seniority may request and will be advised of the reasons they were not accepted.
- 11.06 Gas Technicians filling Labourer vacancies will carry their rate to the new job.

ARTICLE 11
JOB POSTINGS (Continued)

- 11.07 A vacancy in a permanent position may be filled for a period of thirty (30) working days. An employee **so** transferred will receive the higher rate of pay.
- 11.08 A temporary employee hired on contract to fill a temporary position shall be laid off in accordance with the conditions stated above.
- 11.09 Time periods may be extended by mutual agreement.

ARTICLE 12
TEMPORARY EMPLOYEES

12.01 Temporary employees have no rights under this collective agreement except for hours of work, rates of pay and statutory holidays, and the grievance procedure as it relates to these issues.

**ARTICLE 13
LAYOFF/RECALL**

- 13.01 In the event of a lay-off the principle of seniority shall apply.
- 13.02 In the event of a lay-off the Company and the Union will endeavour to place displaced employees in other jobs. The Company shall give the employees who are subject to lay-off and the Union sixty (60) days notice
- 13.03 Employees in the job concerned shall be given lay-off notice. An employee with seniority who is laid off in their unit can displace an employee with less seniority provided the employee is qualified to perform the job.
- 13.04 If a change in methods or operations occurs which may result in the lay-off of employees, the Company agrees to, in consultation with the Union, make a reasonable effort to train and adapt such employees in the operation of the new equipment or methods.
- 13.05 Employees who are laid-off will be retained on a recall list, and will maintain and accrue seniority, if not on lay-off for more than twenty four **(24)** months. When work is available, employees on the recall list will be recalled in order of seniority of their unit, provided that the employee to be recalled is qualified and able to do the work.
- 13.06 Notice of recall to work shall be directed by registered mail to the employee's last known address, unless he/she has received prior notice by telephone which will be confirmed by registered mail. It shall be the employee's responsibility to keep the Company informed of his/her address.
- 13.07 The recalled employee must notify the Company of his/her intention to return to work within five **(5)** days of the date of recall notice, and must return to work within ten (10) working days of date of recall notice or make alternate arrangements satisfactory to the Company.
- 13.08 An employee who refuses recall to a job will not lose seniority, but will lose future claim to the job which he/she has refused to accept.
- 13.09 Prior to re-employment, employees in order of seniority who have bumped into other positions shall be given the first opportunity to return to their previous position when a vacancy occurs.
- 13.10 An employee impacted by redeployment or displacement that results in a lower rated position, shall maintain their current wage for the following periods:
- A) A period of two years, or
 - B) Until such time as the actual wage of the position catches up to their wage.

**ARTICLE 14
EMPLOYEE BENEFITS**

- 14.01 **Benefit Coverage**
The Company agrees to provide pension and welfare benefits as described in the Company Booklets, benefit plan documents or policies of insurance for the duration of the Agreement.
- 14.02 **Pension Plan**
The terms of the Pension Plan form part of this Agreement. All employees must enroll in the Pension Plan in accordance with its terms and conditions.
- 14.03 **Hospital, Surgical, and Medical Benefits**
Employees will be eligible to enroll in the Flexible Health benefits plan for employees and their dependants, effective upon their date of hire.
Employees will be eligible to participate in the company Flex benefit plan coverage as described in the Company Booklets and benefit plan documents.
- 14.04 **Group Life Insurance**
Employees must enroll in the Company's Group Life Insurance Plan, which will provide for the payment as described in the policy, to the beneficiary in case of the death of a participating employee.
Employees will be eligible effective upon their date of hire.
An employee may elect to apply for Optional Life Insurance coverage in accordance with the terms and conditions of the Life Insurance Plan and the Company Booklets and benefit plan documents. Such optional life insurance will become effective after the carrier receives the evidence of insurability information.
An employee may elect to apply for Optional Dependent Life Insurance to insure a spouse and each dependent child in accordance with the terms and conditions of the Life Insurance Plan and the Company Booklets and benefit plan documents. Such optional insurance shall be effective after the carrier receives the evidence of insurability information.
- 14.05 **Dental Plan**
Employees will be eligible to enroll in the Flexible Dental benefits plan for employees and their dependants, effective upon their date of hire.
Employees will be eligible to participate in the company Flexible Dental plan coverage as described in the Company Booklets and benefit plan documents.

**ARTICLE 15
SICK BENEFITS**

- 15.01 Eligible employees will receive Short Term Disability Benefits in accordance with the terms and conditions outlined in the STD Plan Text, a copy of which has been supplied to the Union. The STD plan forms part of this Collective Agreement.
- 15.02 An employee will be eligible for Short Term Disability Benefits effective upon their date of hire.
- 15.03 The Company reserves the right to demand reasonable proof of illness before paying any benefits. The Company will reimburse the cost of any medical certificate requested.
- 15.04 An employee absent on account of illness or accident shall receive basic pay from the first day of absence. Short Term Disability benefits will be paid in accordance with the following schedule for any one illness or accident.

SERVICE

STD BENEFIT

Less than one (1) year	Full pay for 6 weeks - 60% pay after 20 weeks
1 year to 5 years	Full pay for 6 weeks - 60% pay after 20 weeks
5 years to 10 years	Full pay for 13 weeks - 60% after 13 weeks
10 years and over	Full pay for 26 weeks

- 15.05 An employee who is absent on account of illness or other causes must notify the Company as directed on the inside front cover of this agreement prior to the start of such absence or as soon as physically possible indicating the duration and nature of such absence. In the case of failure to so report, the absence will be considered to commence only from the time that proper notification is received for the purpose of computing sick benefits under Article 15.4. If the original notification reported the absence to be less than one (1) week and subsequently such absence is extended, notification shall be given to the Company of such extension as soon as it is known. Employees must report progression of illness every seven (7) calendar days on an illness or disability extending over a period unless other notification is arranged with the employees' Supervisor.
- 15.06 An employee who is injured at work will receive a full days' pay for the day of the accident.

ARTICLE 15
SICK BENEFITS (Continued)

15.07 Employees incapacitated by reason of advanced age or general impairment of health for the efficient performance of their regular duties may be placed in any job they are capable of filling, regardless of seniority, by mutual agreement of the parties to this Agreement. Employees thus re-assigned to a lower classification shall be red-circled.

**ARTICLE 16
ANNUAL VACATIONS**

- 16.01 Employees with less than one (1) years' service by December 24 will be entitled to one (1) day's vacation for each complete month of service computed to June 30, to be taken within the calendar year.
- 16.02 An employee will be entitled to two (2) weeks' vacation with pay upon completion of one (1) full year of service prior to December 24, and provided such vacation is taken in the year in which it is due less any vacation credits received.
- 16.03 Employees who shall have completed three (3) years or more service prior to December 24 in the year in which the vacation is due, shall receive three (3) weeks vacation with pay.
- 16.04 Employees who shall have completed ten (10) years or more of service prior to December 24 of the year in which it is to be taken shall receive four (4) weeks vacation with pay
- 16.05 Employees who have completed eighteen (18) years or more service to December 24 of the year in which the vacation is to be taken shall receive five (5) weeks' vacation with pay.
- 16.06 Employees who have completed thirty (30) years or more service prior to December 24 in the year in which the vacation is to be taken shall receive six (6) weeks' vacation with pay.
- 16.07 Vacation pay shall be based on the employee's weekly pay, shift premiums being excluded except for those employees on a permanent shift.
- 16.08 **All** deductions normally made **from** an employee's regular pay **shall** be deducted from the employee's vacation pay.
- 16.09 The holiday schedule shall be arranged by groups with proper regard for seniority and providing for the continuous and efficient operation of the department.
- 16.10 **For** those who request and are eligible for, a minimum of two (2) weeks vacation will be granted in any year between May 15th and September 15th. A department may require vacation requests to be completed by March 1st. In these instances the vacation list will be posted by April 15.

ARTICLE 16
ANNUAL VACATIONS (Continued)

- 16.11 Employees who leave the Company's service before having received their annual vacation for the year in which they leave, will be paid vacations credits as follows:
- A) Less than one (1) year's service – four (4) percent of earnings from July 1 in the preceding year.
 - B) More than one (1) year's service but less than three (3) year's service – four (4) percent of earnings from July 1 in the preceding year.
 - C) Three (3) year's service or more – six (6) percent of earnings from July 1 in the preceding year.
 - D) Ten (10) year's service or more – eight (8) percent of earnings from July 1 in the preceding year.
 - E) Eighteen (18) year's service or more – ten (10) percent earnings from July 1 of the preceding year.

16.12 **Vacation Carryover**

- A) Each employee must take a minimum of **two** weeks vacation in each year. This would allow employees with greater than three years service by December 24 to carryover vacation to the next year. The maximum amount of vacation that can be carried over is **two** weeks
- B) All carryover vacation must be used first
- C) The carryover vacation must be used in the following year
- D) Scheduling of vacation for use of the carryover portion should be requested as early in the year as possible
- E) All carryover vacation requested to be taken must be by mutual agreement between the employee and supervisor
- F) For the protection of employees who choose not to participate in the carryover process, all primary vacation requests will take precedence before carryover portions
- G) Increments of weeks only will be normally be permitted to be carried forward
- H) Vacation carried over cannot be "cashed" in. Only on termination will the outstanding vacation carried over be paid out.

**ARTICLE 17
PUBLIC HOLIDAYS**

- 17.01 With respect to the following Holidays:
New Year's Day
Good Friday
Victoria Day
Canada Day
Civic Holiday
Labour Day
Thanksgiving Day
Christmas Day
Boxing Day

It is understood that employees, who have been employed for one (1) calendar month or more, shall receive a day off with pay for each of such holidays.

- 17.02 For time worked on a holiday recognized in this Agreement, an employee entitled to holiday pay shall receive double time for all hours worked, plus one days' holiday pay or a day in lieu thereof as determined by mutual agreement with their supervisor. Lieu days to be taken within one (1) year of the actual holiday. If not taken within one (1) year, the Company will designate a lieu day.

- 17.03 Employees "called out" to work on a holiday recognized in this Agreement will be paid a minimum of four (4) hours at double time for the first such "call out" on a holiday. Subsequent "call outs" on a holiday will be paid at double time for hours worked.

- 17.04 When any of the above listed holidays falls within an employees vacation period or scheduled day off, such employee shall be granted an alternate day off with pay, within twelve (12) months, at a time mutually agreed upon between the employee and the supervisor.

**ARTICLE 18
FLOATER DAYS**

- 18.01 The Company will recognize five (5) days off at straight time in each calendar year (January 1 – December 31). These days will not be taken while on shift or standby. This restriction will not apply to permanent shifts.
- 18.02 Employees hired after January 1 in each year will be granted floater days on a prorated basis.
- 18.03 A) These days are to be arranged by mutual agreement between the employee and the supervisor.
- B.) Floater time must be used in the calendar year that they are received, and cannot be carried over into the next calendar year. Employees who leave the Company's service before taking their floater days will not be entitled to have these days liquidated.

ARTICLE 19
LEAVE OF ABSENCE

- 19.01 The Company may, at its discretion, grant a leave of absence with pay, to an employee for personal reasons.
- 19.02 Work and other operating conditions permitting, leave of absences not otherwise provided for will be given consideration. Such leaves of absence are to be without pay and will be deemed temporary leaves of absence.
- 19.03 An employee when called for jury duty or subpoenaed as a witness shall be paid full salary.
- 19.04 The Company will grant leave of absence with pay to ex-service persons who wish to attend Remembrance Day services or may be participating in Remembrance Day ceremonies.
- 19.05 An employee shall be granted at the time of their marriage three (3) days off with pay, provided the employee has completed three (3) months or more continuous service. If because of legal, landlord or other requirements an employee is required to change residence on a working day, the Company co-operates by providing a day off with pay. One (1) day off with pay in a twelve (12) month period is allowed for this purpose.
- 19.06 An employee shall be granted a day off with pay in order to attend their Canadian citizenship proceedings.

**ARTICLE 20
BEREAVEMENT LEAVE**

- 20.01 An employee shall be allowed three (3) days with pay, if scheduled to work, in the event of death in the immediate family, i.e. brother, sister, spouse, parents, parent-in-law, child, son-in-law, daughter-in-law, grandparent, or grandchild or other relative living in the home of the employee. Time off shall not extend beyond ~~two~~ (2) days of the funeral.
- 20.02 Employees shall be allowed one ~~(1)~~ day off with pay for the purpose of attending the funeral of the employee's aunts, uncles, brother-in-law or sister-in-law.
- 21.03 At the Company's discretion, an employee shall be allowed one ~~(1)~~ day with pay where the deceased is not an immediate member of the family, but the relationship is close enough, and the attending circumstances such as to justify payment.

**ARTICLE 21
GENERAL CLAUSES**

- 21.01 Employees shall be supplied with replacement of necessary tools, worn out, broken or lost doing Company work, subject to the approval of the Department Manager.
- 21.02 Clothing damaged or destroyed by other than normal use in the course of employment shall be replaced or repaired by the Company. For classifications that require a uniform, the Company at its discretion, shall provide one of the following services:
- A) The Company will provide a service for cleaning or repairing uniforms; or
 - B) A clothing cleaning allowance of \$2.50 per week will be given.
- 21.03 Construction employees working beyond the limits of a ten (10) km radius from their normal base of operations shall receive a mileage allowance in the amount as specified in the Transportation Policy Manual for all kilometers beyond this radius, provided however, that the employee shall have started and/or quit at their regular starting or quitting time at the job location. If an employee is requested to work continuous with their regular working day beyond the normal quitting time at a job location, they shall be deemed to have complied with the intent of "regular quitting time" as outlined in this section. Construction employees required to work beyond a fifty (50) kilometre radius from their normal base of operations shall receive a travelling time allowance.
- 21.04 Clerical and other operations employees temporarily transferred from their normal base of operations to another shall receive travelling time allowances for such period. Any additional travel expenses shall be paid as per the Transportation Policy Manual. Employees temporarily transferred from their normal base of operations to another shall receive travelling time allowances for such period. Any additional travel expenses shall be paid as per the Transportation Policy Manual.
- 21.05 Employees required to report at a regular starting time and place for a day's work, when conditions prevent work from being performed, shall receive a normal day's pay. Nothing in this section shall apply if and when employees are expressly ordered not to report to work. Nothing in this section shall apply under conditions where overtime rates are in effect.

ARTICLE 21
GENERAL CLAUSES (Continued)

- 21.06 Supervisors shall not perform work normally performed by employees in the bargaining unit unless it is for either of the following reasons:
- A) When instructing, assisting or training employees.
 - B) When an emergency occurs and it is necessary for the supervisor to act for the safety of personnel, safety of equipment, and the continuation or prompt restoration of operation.
- 21.07 Non-consecutive fifteen (15) minute break period(s) shall be allowed to all employees on each shift.
- 21.08 The Company shall reimburse an employee for their payment of licenses or certificates required to complete the normal duties of his job. The employees drivers license (all classifications) will be excluded from this article, however all medical documentation to acquire such licenses shall be reimbursed.
- 21.09 Where specific footwear is required by the Company as part of a uniform, the footwear will be provided by the Company.

ARTICLE 22 HOURS OF WORK

- 22.01** With the exceptions listed in the shift addendum clerical hours of work shall be a basic thirty five (35) hours per week between Monday and Friday, seven (7) hours per day and one **(1)** hour for lunch. These hours will be arranged between 7:00AM and 7:00PM. Any changes to hours for incumbents shall only be done by mutual agreement between the Company and the employee. When the change is over thirty **(30)** days the Union will be notified in writing.
- 22.02** With the exceptions listed in the shift addendum operations hours of work shall be a basic forty **(40)** hours per week between Monday and Friday, eighth (8) hours per day and one half **(1/2)** hour for lunch. These hours will be arranged between 7:00AM and 6:00PM. Any changes to hours for incumbents shall only be done by mutual agreement between the Company and the employee. When the change is over thirty **(30)** days the Union will be notified in writing.
- 22.03** The Union recognizes the requirement of maintaining quality customer service and will endeavor to cooperate with shift adjustments when required.
- 22.04** Employees for reason of impairment of health may apply to be excused from shift work and/or callouts.
- 22.05**
- A) For those employees in the Variable Hour Classification(s) within Operations Support, the hours of work (exclusive of meal period) shall be based on a variable workweek over twenty-four **(24)** hours and up to forty **(40)**. The opportunity to work hours in excess of twenty-four **(24)** will be distributed as equitably as possible. A maximum of ten percent **(10%)** of the operations support positions may be in the variable hour classification. Such employees will not work full-time hours for more than seven (7) weeks out of the previous thirteen **(13)** weeks. This period may be extended by mutual agreement between the Company and the Union.
 - B) With the exception of the terms and conditions specified in Appendix "C" all other provisions of the Collective Agreement apply.

ARTICLE 22
HOURS OF WORK (Continued)

22.06 It is understood that there will be a standby requirement for emergency calls outside of the shift schedule. Volunteers from those qualified to do the work will staff standby. The Union recognizes that standby is required to maintain emergency coverage and will work with the company to ensure the standby needs are met.

22.07 Standby pay shall be 100% of one hour of the Gas Technician First Class rate for each twenty-four (24) hour period of stand-by coverage. Standby pay for a public holiday shall be 200% of one hour of the Gas Technician First Class rate for each twenty-four (24) hour period of stand-by coverage.

ARTICLE 23 OVERTIME

- 23.01 All employees whose basic work week is thirty-five (35) hours shall be paid overtime in excess of the regularly assigned hours in any one (1) day or one (1) week on the basis of the regular rate of pay (straight time) calculated on an hourly basis, for the first five (5) hours in a week and double time thereafter.
- 23.02 All employees whose basic work week is forty (40) hours or more shall be paid overtime in excess of the regularly assigned hours in any one (1) day or one (1) week at the rate of double time calculated on an hourly basis.
- 23.03 Shift premiums or change of routine premiums will not be applied when calculating overtime.
- 23.04 Employees who work outside their regular assigned hours in any one (1) day or outside their regularly assigned number of days in any one (1) week shall be paid for such time at the rate of double time. An employee working on regular day(s) off may request and be given equivalent time off without pay in lieu thereof.
- 23.05 Employees who are required to work three (3) or more consecutive hours will be allowed \$8.50 for a meal and for each successive four (4) hours overtime an additional \$8.50 for a meal.
- 23.06 Employees who work three and one half (3½) or more hours overtime that is not continuous with their regular work period will be allowed \$8.50 for a meal and for each successive four (4) hours overtime an additional \$8.50 for a meal.
- 23.07 Any employee called out after the regular scheduled day will be guaranteed a minimum of three (3) hours at the applicable rate. Employees called upon to work two (2) shifts in any twenty-four (24) hour period shall be paid at overtime rates for the second shift, unless the second shift is called for by their regular work schedule, in which case it shall be paid for at straight time.
- 23.08 Overtime work shall be evenly distributed among those normally performing the same kind of work as far as possible. Overtime work will be done on a voluntary basis as far as possible.
- 23.09 The Company shall make every effort to ensure that:
- A) An employee shall not be required to work in excess of eight (8) hours overtime continuous with his/her regular shift.
 - B) An employee will have eight (8) hours off between shifts.

ARTICLE 23
OVERTIME (Continued)

- 23.10 Employees "called out" to work will be paid an allowance for travelling time from leaving home to arriving on the job at the applicable overtime rate.
- 23.11 Employees temporarily transferred to another position will be governed by the regularly scheduled hours of work of the new position. Overtime rates will be paid only for those hours worked in excess of aforesaid schedule.
- 23.12 Employees may bank their overtime for future time off rather than receive monetary compensation according to the following guidelines. These are guidelines that may be amended with mutual agreement:
- A) Overtime banks will be calculated to the equivalent time earned for time off.
 - B) Employees can request a minimum of one half (1/2) a day.
 - C) Time off arrangements are by mutual agreement between the employee and the supervisor.
 - D) Supper money will be paid when entitled at the time the overtime is worked.
 - E) Payout of banked overtime will occur when an employee changes jobs, is terminated, or March 31 of the following year.

ARTICLE 24
DISCIPLINARY ACTION

- 24.01 An employee will not be disciplined in a manner involving a suspension of dismissal without a fair and impartial hearing at which the employee shall have the assistance of up to three (3) union representatives who shall be allowed to offer such arguments as they desire in defense of such employee. Union representatives will be given as much notice as is possible under the circumstances.
- 24.02 In the case where an employee is dismissed or suspended for cause, the Company shall, within two (2) working days notify the Union in writing, giving the reasons for such actions, their extent and intended duration.
- 24.03 An employee with seniority claiming unjust discharge or suspension may submit a grievance within seven (7) calendar days of the imposition of the discipline. Such grievance shall commence at Step 3 of the grievance procedure.
- 24.04 The Company and the Union by mutual agreement may waive the time limits provided in the above section.
- 24.05 If a reprimand or notation is placed on an employee's record the employee shall receive a copy of the reprimand or notation and the Union will be promptly notified.
- 24.06 A notation placed on an employees file shall be removed after two (2) years provided no further notations have been placed on the file.

ARTICLE 25
GRIEVANCE PROCEDURE

- 25.01 A grievance may arise only from a dispute concerning the interpretation, application or administration of alleged violation of this agreement. An earnest effort will be made on the part of both parties to settle such a grievance promptly through the following steps.
- 25.02 Step 1. If an employee has a grievance, the first step is to advise the appropriate supervisor within five (5) working days of the employee being aware of the act originating the grievance and if desired may have the assistance of a steward. If a settlement is not arrived at within three (3) working days the employee may proceed to the next step.
- 25.03 Step 2. The grievance will be submitted in written form to the employee's Supervisor by the employee and a Steward. The Supervisor will respond in writing within seven (7) working days.
- 25.04 Step 3. An appeal from that decision may be made in writing within seven (7) working days by the Union. Both parties agree that upon request by either party for a meeting that such a meeting shall take place within ten (10) working days. The Company will give its decision in writing within ten (10) working days after the date of such meeting. If the decision does not bring a satisfactory settlement of the grievance, either party may refer it to arbitration.
- 25.05 The Company and the Union by mutual agreement may waive the time limits provided in the above steps.
- 25.06 If the Company or the Union has a policy concerning an alleged violation of this Agreement, the complaint shall be lodged in writing starting at Step 3.

ARTICLE 26 ARBITRATION

- 26.01 Failing agreement through the above procedure, either party may then submit the matter to arbitration within a period of twenty (20) days.
- 26.02 A Board of Arbitration shall be composed of one (1) nominee of the Company, one (1) nominee of the Union, and a third person who shall act as Chairperson on the joint recommendation of the two (2) nominees. In the event of failure to agree upon a Chairperson an application shall be made to the Minister of Labour for Ontario. Each party will bear the expense of its own nominee and the parties will jointly share the expenses, if any, of the Chairperson. No person may be appointed as an Arbitrator who has been involved in an attempt to negotiate or settle the grievance. It is agreed that the decision of the Board of Arbitration shall be final and binding upon the Company and the Union.
- 26.03 Should the Company and the Union agree, this provision shall not preclude the appointment of a single impartial arbitrator. Such arbitrator to be selected by mutual agreement of the parties.
- 26.04 It is agreed that the Board of Arbitration shall not have any authority or jurisdiction to alter this Agreement or to deal with any matter not covered by this Agreement.

**ARTICLE 27
RATES OF PAY**

27.01 Incentive Compensation

Recognizing the personal and overall contribution of employees to the success of the business, the parties to this Agreement agree to the Incentive pay program, referred to as the Success Sharing program. The Terms and conditions for Success Sharing are contained in Appendix "A".

27.02 Construction and Maintenance Department

- A) A Labourer shall serve up to two **(2)** years within which period they shall be given a preliminary test to satisfy the Company of their ability to train as a Gas Technician 2nd class.
- B) A Gas Technician 2nd Class will normally serve no longer than two **(2)** years in this classification before becoming eligible for examination for promotion to Gas Technician 1st Class.
- C) The promotion of Gas Technician 2nd Class to Gas Technician 1st Class shall depend upon their ability to pass a test prepared by the Company. In the event of failure, they will be eligible for re-examination at the end of three (3) months and if unsuccessful a re-examination at the end of a further nine **(9)** month period.
- D) A Union observer may be present during the practical phase of examination from Gas Technician 2nd Class.
- E) A list of the employees ruled unfit for promotion shall be forwarded to the Union.

27.03 General

- A) C&M Gas Technicians holding a no blo ticket shall receive a total premium of \$.50 per hour and \$.70 per hour for both acetylene and no blo tickets.
- B) Anyone using a sandblaster or a torch will be paid at least Gas Technician 2nd Class wages while so employed.
- C) When operating a vehicle equipped with a HIAB, qualified Helpers will be paid a premium of \$.85 per hour.
- D) An employee, while working as a Lead Hand, will be paid a premium of \$.50 per hour for the hours so worked. Such assignments are at the discretion of the Company and may be filled without regard to seniority.
- E) Since consolidation of all job categories and job rates, jobs identified may not be utilized in all units.

**ARTICLE 27
RATES OF PAY (Continued)**

F) All employees that are participating in the Operations Multi-skill Program shall receive a total premium of \$0.50 per hour.

G) The parties agree that new job categories created during the term of this Agreement will be discussed as to whether job progression will apply.

27.04 Shift Premiums

(A) Local 975 Operations Unit

		Jan. 01, 2003	Sept. 01, 2003
Afternoons	5.5% of Utility Fitter I Hourly Rate	\$1.40	\$1.41
Midnights	8.0% of Special Fitter I Hourly Rate	\$2.03	\$2.05
Saturdays	16.5% of Special Fitter I Hourly Rate	\$4.19	\$4.23
Sundays	Time and one half will be paid at the job rate for all regularly scheduled work with no additional shift premiums paid.		

(B) Local 975 Clerical Unit

		Jan. 01, 2003	Sept. 01 2003
Afternoons Monday to Friday after 12:00 noon But before 5:00 p.m.	5.5% Of Grade 8 Rate	\$1.23	\$1.24
Midnights Monday to Friday after 5:00 p.m. But before 6:00 a.m.	8% Of Grade 8 Rate	\$1.80	\$1.81
Saturday and Sunday Any Shift	16.5% Of Grade 8 Rate	\$3.70	\$3.73

(C) Shift premiums at the applicable rates will be paid for all hours worked and for vacation, floaters, lieu days and authorized absence days for all permanent shift employees.

**ARTICLE 27
RATES OF PAY (Continued)**

27.05 Local 975 Operations Unit Salary Schedule

<u>Construction & Maintenance</u>	Current Rate	Jan. 01, 2003	Sept. 01, 2003
Operations Technician I			\$25.63
Operations Technician II			\$24.24
Operations Technician In Training			\$22.49
Gas Technician Welder	\$25.73	\$26.25	\$26.52
Gas Technician - 1 st Class	\$24.19	\$24.68	\$24.93
Gas Technician - 2 nd Class	\$21.82	\$22.26	\$22.49
Utility Fitter I	\$24.87	\$25.37	\$25.63
Utility Fitter II	\$23.52	\$24.00	\$24.24
Utility Fitter III	\$21.82	\$22.26	\$22.49
Fitter in Training	\$20.75	\$21.17	\$21.39
Fitter in Training to Start	\$19.84	\$20.24	\$20.45
Tractor Trailer Driver	\$25.37	\$25.88	\$26.14
Machine Operator	\$25.37	\$25.88	\$26.14
Truck Driver	\$21.24	\$21.67	\$21.89
Leak Surveyor	\$21.82	\$22.26	\$22.49
Yard/Stockkeeper	\$21.82	\$22.26	\$22.49
Labourer	\$20.25	\$20.66	\$20.87
Temporary Labourer	\$19.84	\$20.24	\$20.45
Student	\$16.90	\$17.25	\$17.43
Field Measurement Hand Step 1	\$19.50	\$19.89	\$20.09
Field Measurement Hand Step 2	\$20.50	\$20.91	\$21.12
Field Measurement Hand Step 3	\$21.41	\$21.84	\$22.06
Field Measurement Hand Step 4	\$22.60	\$23.06	\$23.30
Field Measurement Hand Step 5	\$24.68	\$25.18	\$25.44

(Step Progression for Field Measurement Hand will be every six months based on ability to perform work.)

<u>Material & Logistics</u>	Current Rate	Jan. 01 2003	Sept. 01 2003
Special Repairer	\$24.69	\$25.19	\$25.45
Special Repairer to start	\$22.60	\$23.06	\$23.30
1st Class Repairer after 12 months	\$22.60	\$23.06	\$23.30
2nd Class Repairer after 6 months	\$21.42	\$21.85	\$22.07
3rd Class Repairer to start	\$20.50	\$20.91	\$21.12
Special Repairer – Reclamation	\$24.69	\$25.19	\$25.45
Stockkeeper	\$21.80	\$22.24	\$22.47
Stockkeeper's Helper	\$20.79	\$21.21	\$21.43
Appliance Adjuster and Tester	\$21.36	\$21.79	\$22.01
Appliance Repairer	\$22.84	\$23.30	\$23.54
Control Repairer	\$23.44	\$23.91	\$24.15
Truck Driver	\$21.24	\$21.67	\$21.89
Truck Driver's Helper	\$20.59	\$21.01	\$21.23
Shipper/Receiver to start	\$20.79	\$21.21	\$21.43
Shipper/Receiver	\$21.80	\$22.24	\$22.47

ARTICLE 27 – RATES OF PAY (Continued)

Local 975 Operations Unit Salary Schedule (Continued)

	Current Rate	Jan. 01 2003	Sept. 01 2003	
Yard/Stockkeeper	\$21.82	\$22.26	\$22.49	
Warehouse Person/Truck Driver	\$21.80	\$22.24	\$22.47	
Appliance Truck Driver Helper	\$20.59	\$21.01	\$21.23	
Storeperson	\$21.80	\$22.24	\$22.47	
<u>Facilities Management</u>				
Utility Hand	\$21.36	\$21.79	\$22.01	
Utility Hand– Reclamation	\$23.44	\$23.91	\$24.15	
Plant Maintenance Operator	\$24.86	\$25.36	\$25.62	
Carpenter	\$24.86	\$25.36	\$25.62	
Painter	\$24.86	\$25.36	\$25.62	
Plumber	\$24.86	\$25.36	\$25.62	
Electrician	\$24.86	\$25.36	\$25.62	
Utility Hand Horticulturist	\$23.02	\$23.49	\$23.73	
Utility Hand Stations	\$23.02	\$23.49	\$23.73	
Building Maintenance Technician	\$24.86	\$25.36	\$25.62	
<u>Other</u>				
Student	\$16.91	\$17.25	\$17.43	
Tracer Fitter	\$22.55	\$23.01	\$23.25	
<u>Fleet Services</u>				Dec. 31 2003
Auto Mechanic				\$25.63
Auto Mechanic Helper				\$21.28
Tire Hand				\$24.15
Garage Attendant				\$21.28
Automotive Stockkeeper				\$22.47
Utility Hand				\$22.01
Heavy Equipment Mechanic				\$26.13

27.06

Local 975 Clerical Unit Salary Schedule

Salary Grade	Jan. 1, 2003 Start Weekly (\$)	Jan. 1, 2003 Mid Weekly (\$)	Jan. 1, 2003 Top Weekly (\$)
1	475.65	481.60	487.55
2	515.20	521.15	527.10
3	556.15	562.10	568.05
4	603.75	609.70	615.65
5	649.60	655.55	661.50
6	691.95	697.90	703.85
7	737.10	743.05	749.00
8	779.80	785.75	791.70
9	826.70	832.65	838.60
10	871.15	877.10	883.05

Training Courses

Junior Trainees	513.78	661.81
Advanced Trainees	648.63	882.92

Local 975 Clerical Unit Salary Schedule

Salary Grade	Sept. 1, 2003 Start Weekly (\$)	Sept. 1, 2003 Mid Weekly (\$)	Sept. 1, 2003 Top Weekly (\$)
1	480.55	486.50	492.45
2	520.80	526.75	532.70
3	562.10	568.05	574.00
4	610.05	616.00	621.95
5	656.25	662.20	668.15
6	699.30	705.25	711.20
7	744.80	750.75	756.70
8	787.85	793.80	799.75
9	835.10	841.05	847.00
10	880.25	886.20	892.15

Training Courses

Junior Trainees	518.93	668.43
Advanced Trainees	655.12	891.75

**ARTICLE 28
CATEGORIES OF EMPLOYEES**

28.01 All Employees covered by this agreement shall fall into the following categories:

A) Permanent Employees

A permanent employee shall be an employee who has been hired on a permanent basis and who has successfully completed the probationary period, as defined in Article Nine

B) Probationary Employees

A probationary employee is a new employee who is hired by the company and who has not completed the probationary period defined in Article Nine

C) Temporary Employees

Temporary position shall be defined as one, which shall not extend beyond a total period of sixty (60) calendar days, save and except for the following:

- 1) temporary employees hired for maternity/parental leave coverage
- 2) temporary Labourers hired in the Construction and Maintenance department who may be hired for a period not exceeding six (6) months in any twelve (12) month period;
- 3) it is the intent of the Company to hire temporary Labourers for specific work projects, seasonal new construction and illness, accident or maternity leave coverage;
- 4) or as otherwise agreed to by the parties

APPENDIX "A" SUCCESS SHARING

The parties agree to the Incentive Compensation Program referred to as the Success Sharing Program. The incentives will be paid out to the non-temporary employees on payroll as at October 1, in January of the following year, based on the achievement of company and department targets established at the beginning of each fiscal year in the Enbridge Gas Distribution scorecard.

The Success Sharing program will pay out as per the following table:

Fiscal 2003 (Oct. 1, 2002 to September 30,2003)	Paid out January 2004
Fiscal 2004 (Oct. 1, 2003 to September 30,2004)	Paid out January 2005

For fiscal 2003, two and one half percent (2.5%) of base income will be paid as a lump sum to eligible employees provided company targets are achieved. For fiscal 2004, four percent (4%) of base income will be paid as a lump sum to eligible employees provided company and department targets are achieved.

If the threshold targets are met, the respective payout will be made for all measures that are met. If threshold targets are not met, no payout will be made. The payout will be based on the employee's rate as of October 1; Employees hired during October 1 to September 30 will have their payment pro-rated for partial and total month's work.

In the event that the company is unable to establish the criteria for the department incentive, the success sharing payment will default to the company scorecard targets set at the beginning of the fiscal year.

APPENDIX "B"
DEFINITION OF REGIONS

The parties agree that regions will be defined as follows:

Niagara Region

All work locations located in the Niagara franchise area.

Central Region

All work locations located in the Greater Toronto franchise area including Peterborough and Barrie.

Eastern Region

All work locations located in the Ottawa and surrounding franchise area including Brockville.

SHIFT ADDENDUM

All shift schedules currently in place will remain in affect for the duration of this Agreement.

A shift schedule may be altered to accommodate requirements of the business or personal needs of the employees if changed by mutual agreement.

APPENDIX "C"
TERMS & CONDITIONS FOR VARIABLE HOUR EMPLOYEES

- An employee may be scheduled to work less than **24** hours in a week by mutual agreement between the company and the employee.
- In this section ("meal allowance"), overtime is defined as time worked beyond 7 hours in a day or beyond **5** days in a pay week.
- Overtime will be paid at a rate of double time after working **40** hours in one pay week.
- Employees will be provided a fifteen minute paid break for every **3-1/2** hours *worked*.
- Floater days and vacation days will be in accordance with the Collective Agreement. Payment for these days will be based on a six **(6)** hour work day.
- All Benefits will be on a pro-rated basis for actual hours worked.
- Union Dues will be paid by the employee based on the number of hours *worked*. The union dues paid in a period will be equal to 1.6% of their straight-time hourly pay times the number of hours *worked* up to **35** hours per week. There are no Union Dues payable on the hours worked in excess of **35** hours per week.
- Employees in this classification will accrue seniority on the same basis **as** full-time employees (i.e. it is not pro-rated to the number of hours or days worked in a given period).

**APPENDIX D
TERMS AND CONDITIONS
FOR CUSTOMER ATTACHMENT REPRESENTATIVES**

The following represents the agreed upon terms and conditions for the Customer Attachment representatives. The provisions of the collective agreement apply unless otherwise specified in this appendix

	Current	Jan. 1 2003	Sept. 1. 2003
	Weekly Rate	Weekly Rate	Weekly Rate
CAR 1	\$950.03	\$969.04	\$978.74
CAR 2	\$1,044.81	\$1,065.71	\$1,076.37
CAR 3	\$1,139.60	\$1,162.40	\$1,174.03

The Customer Attachment representatives' role will be structured into three level jobs. Progression from one level to the next will be based on an employee demonstrating that they have acquired the necessary skills and competencies through specific training and on the job experience. On average an employee should be expected to progress from one level to the next within 18-24 months. The following salary schedule will be in effect. Current representatives who are above the Senior Level per week will be green circled.

Hours of Work

The Hours of Work for the Customer Attachment Classification will be 40-44 hours per week without the application of overtime premiums. The additional hours of work required for this role from time to time are therefore considered within the weekly salary and should not exceed 44 hours per week when averaged annually.

LETTER OF UNDERSTANDING #1 RECOGNITION CLAUSE

Enbridge Gas Distribution hereinafter referred to as the Company recognizes the Communications, Energy and Paperworkers Union Local 975, hereinafter referred to as the Union, as the sole bargaining agent in the current franchise area covered by Enbridge Gas Distribution. In the event of these boundaries being extended this Agreement will apply only if there is no existing collective agreement. The following groups of employees are covered by the terms of the collective agreement.

All clerical and laboratory employees, save and except Niagara Region non operating employees, supervisors, those above the rank, residential/commercial sales associates, energy management consultants, account associates, secretaries to department managers, those above that rank, those employees in the Human Resource, Budget, Regulatory Affairs and Corporate Affairs departments, and clerical persons who normally work twenty-four (24) hours per week or less in the Central Region of Enbridge Consumers Gas.

All operations employees save and except supervisors, those above that rank and those working out of the Grimsby office.

LETTER OF UNDERSTANDING#2 PILOTS

The transformation of the workplace into a design that creates a high performing work environment is critical for both the Company and its employees as we move into a competitive environment. During the IBN process we have experienced fruitful discussions and identified many mutual interests that will assist in the organizational and personal success that both the Company and the Union agree it is the imperative of these negotiations.

Workplace design and effectiveness are critical to the Company's future. The key elements/principles of workplace design are:

- **Job Requirements/Expectations**
- Selection Process
- Training and Development
- Performance Measures and Management
- Occupational Health and Safety
- Compensation as a reward for success
- Operating Philosophies and Practices

The implementation of these key elements must be done utilizing the principles of the Involvement Philosophy and change management process that was endorsed by both parties.

Both the Company and the Union realize that creating a competitive high performing work environment through these elements/principles cannot be accomplished by a single unilateral act by either party. Therefore the parties agree to the use of pilots to assist in the transformation of the business.

LETTER OF UNDERSTANDING#3 TRANSFORMING THE BUSINESS

Due to significant changes in the business environment in which the Company operates, transformation of the company's organization, processes and support systems will be required to ensure continued success. The Company is committed to involving the Union and employees in this process. Inherent in this commitment is the belief that employees at all levels of the organization have valuable insights to contribute to our change efforts. Therefore, employee and union involvement in the Company's change process will result in an increased level of commitment, higher quality recommendations, and will ensure a higher rate of success.

LETTER OF UNDERSTANDING #4 EMPLOYEE SECURITY

The Company will continually need to change in order to pro-actively respond to changes in our business environment. The Company recognizes that these changes impact employees and are committed to working with the Union to assist employees to adapt to these changes and to provide them with enhanced personal security. The Company recognizes that enhancing personal security facilitates enhanced employee contribution and satisfaction.

This commitment includes but is not limited to: providing timely and full information on anticipated and planned changes; providing access for all employees to training which assists them in dealing with change (Employee Workshop on Organizational Change) and in career planning (Navigating Your Future); redeployment processes to ensure best efforts are made to move employees whose positions have been eliminated into new roles; severance for employees whose jobs have been eliminated and for whom no redeployment option is available, and access to training to assist in future job search if required.

**LETTER OF UNDERSTANDING #5
FULL TIME OFFICER(S)**

The Company recognizes the Local Union shall require a full-time officer paid for by the Company. The salary of which will be paid for at the rate of 90% by the Company and 10% by the Local Union.

LETTER OF UNDERSTANDING #6 PHILOSOPHY STATEMENTS

Performance Management

One of management's major responsibilities is to create a high performing organization that maximizes the potential and contribution of every employee. Achieving this will require an effective Performance Management system for employee selection, ongoing feedback and evaluation, and development that is seen by employees as fair and unbiased.

The objective of the selection process will be to ensure that people with the necessary skills and competencies are selected from the outset. The job expectations, skills and competencies including 'soft skills' required for each job will be described in job profiles.

The objective of the ongoing feedback and evaluation process will be to ensure that employees understand job expectations and receive coaching feedback on their performance. Job expectations will be linked to Business Unit objectives and ultimately to customer expectations. The process will include agreed upon measures of employee performance. Appropriate coaching and training will also be part of the process to help employees be successful and to identify problems early. There will be a clear process for resolving situations where an employee is not able to meet job expectations.

The objective of the development process will be to ensure that there will be ongoing training and development to help employees expand their skills and competencies to excel in current jobs and progress to fill new opportunities as they arise.

Business Imperative For Involvement

We, the Union and Management, jointly recognize that the future success of our business is tied directly to the individual and collective actions of our employees. To be successful in a rapidly changing environment, we will need all employees to take personal accountability for helping us identify how we need to change and for implementing the changes that need to be made. If we are successful in focusing the knowledge, commitment and contribution of all employees to making changes we will succeed against the competition.

Beliefs About Involvement

We believe that employees at all levels of our company have valuable insights to contribute to our change efforts and that through involving them and their union in the Company's change process we will make better decisions and achieve a higher rate of implementation success. We further believe that employees want to contribute to making our company successful.

LETTER OF UNDERSTANDING#6 - PHILOSOPHY STATEMENTS (Continued)

We recognize that employees who understand the rationale for change, the vision for the future, and who are involved in defining the path to get there are more likely to support the changes, than those who were not involved. We further believe that investing in involvement at the beginning of the change process will result in less investment at the end of the process in overcoming resistance to the changes.

We recognize that in the current business environment we must have the organization capability to make sound change decisions quickly and then execute them quickly. Our involvement processes must facilitate the achievement of both of these objectives. This will require us to design and implement a variety of involvement approaches that reflect the scope and impact of the changes that need to be made.

Beliefs About Work Environment That Facilitate Involvement

We recognize that to maximize employee involvement and contribution we must be relentless in creating a work environment where:

- Business information is shared with employees at all levels

- The potential of all employees is recognized, stimulated and developed

- Ideas are valued

- Collaboration, trust and mutual respect are fostered

- Individual and group successes are celebrated

Results Of An Involvement Strategy

Involvement processes create opportunities for employees to take personal accountability for contributing to the success of the organization.

By involving all employees and their union in our change processes we will increase employee resilience to change and their confidence that all future changes can be successfully navigated. We will also allow opportunities for employees to create a better work experience for themselves. This, in turn, will create a workforce that is energized, personally committed to contributing to our collective success and fulfilled by their contribution to this success.

Learning and Development

The parties have identified a common interest in developing a learning strategy that will ensure the economic viability of both employees and the Company by working in a co-operative manner while taking into account the interests of all stakeholders.

Whereas employees respond differently to certain situations, the broadest possible platform for learning must be established so that they can feel the highest degree of security as they undergo training for the jobs of the future. At the same time and not exclusively, the Company must be able to maximize the return on their investment in training that is tied to solving business issues.

LETTER OF UNDERSTANDING #6 - PHILOSOPHY STATEMENTS (Continued)

Continuous learning can be viewed as a requirement under two distinct situations. Firstly, ongoing enhancement of skills and competencies that are directly required to perform the tasks associated with current jobs and recognizing that tasks and skills continuously evolve. Secondly and whereas it is agreed that learning is a life long experience, there is the development of skills that enhance and employee's future employability and their personal need for growth. The employee and the Company have a shared accountability for achieving success in both areas.

In the first scenario, each business unit will create an atmosphere for learning through a strategic training plan and will ensure that quality training is made available to all employees on company time and at company expense. Further, this training will be viewed as part of a development process and as such, measures will be put in place to gauge it's effectiveness. Employees caught up in the changing nature of the workplace will, whenever possible, receive retraining as part of an overall redeployment strategy.

In the second scenario, it is expected that employees will upgrade work-related skills and personal development at their own pace. This may include courses, seminars or other learning methods for which they receive financial support only. It is recognized that in not all cases will the new skills enhance an employee's progression in the company, but where relevant, they will be given consideration through in-house recruiting opportunities.

This philosophy statement is designed to set guidelines for the timely and effective delivery of training. When formally agreed to, each business unit should communicate this philosophy to all employees and take steps to ensure equitable access. Its application must be taken in context with the dialogue and agreed to points of interest as expressed by the parties at their meetings on October 23rd & 24th, 1997.

Health & Safety

The Company and the Union understand that it is imperative to resolve issues regarding Health and Safety so that all relevant factors may be considered with as little time delay as possible.

The parties therefore agree that during the term of this Agreement they will jointly develop a procedure to achieve this goal and that the agreed to procedure will form part of the collective agreement and will be included in future renewals.

**LETTER OF UNDERSTANDING #7
WORK OUTSIDE OF PROVINCE OF ONTARIO**

The Union and the Company agree to continue to discuss and attempt to resolve the problems that may be involved when Union members located in eastern region do work outside the province of Ontario, but still within the gas distribution system.

In addition, the following conditions are agreed to:

1. Such work will be kept to a minimum.
2. Any employee conducting such work still has all rights to the Union agreement.
3. The Company assumes liability for safety infractions where the employee is following the Company and/or Ontario safety regulations.
4. The Company assumes the liability for any fines and/or penalties incurred by an employee while following the instruction of the supervisor of the work.
5. Individual preference will be considered and wherever possible respected in assigning work outside the Province of Ontario.

**LETTER OF UNDERSTANDING #8
WORKING HOURS - NIAGARA:**

It is mutually agreed that in order to render adequate service to the public and to provide a maximum amount of steady employment for regular employees, the Company shall be free to fix the hours, kind of work and working time for each employee, subject, however, to certain rules as set forth in the following letter.

All shifts will be posted at least five (5) days in advance and overtime premium will be paid at the rate of time and one half (1½) for hours worked outside of posted shifts if less than forty-eight (48) hours notice of change of shift is given. Overtime premium will not apply if the change is made at the employee's request. Employees whose schedule is changed due to the provisions in this paragraph will not be required to work a split shift.

Commitment to Resolve Shift/Vacation Conflict

When an employee is unable to resolve a conflict between his/her shift schedule and vacation request, the Company will make the final decision. This adjustment will be exercised a maximum of once per year and will not circumvent Article 16 of the Agreement.

**LETTER OF UNDERSTANDING #9
TESTING**

The parties agree to work cooperatively to develop testing criteria that are consistent, relevant, valid and form part of a comprehensive job selection process.

**LETTER OF UNDERSTANDING #10
RELIGIOUS HOLIDAYS**

The Company and the Union recognize and value the diversity of our workforce. In order to accommodate an employee's personal religious beliefs, the employee should make their wishes known to their supervisor, with as much notice as possible, so that they can review all available options (i.e. Floater days / Vacation / Alternate work times etc.) so as they meet the employee's needs.

LETTER OF UNDERSTANDING #11
OVERTIME AND SUPERVISORS DOING BARGAINING UNIT WORK

- A) Employees should be asked or requested to work overtime hours before a decision is made to make requests mandatory
- B) The Company agrees to accommodate those individuals, whenever possible, who request to work designated company holidays
- C) **As** bargaining unit work is not included in supervisory job descriptions, supervisors must use discretion and good judgement wherever circumstances require them to perform such functions

**LETTER OF UNDERSTANDING#12
LEAD HANDS**

A Lead Hand is an employee who temporarily assumes the duties of a supervisor. The Lead Hand rate also applies to members assigned to specific training positions. It is further agreed that such assignments will not include training contractor personnel or supervisory dispatchers or quality control functions. Lead Hands may be required to distribute work and answer questions. They will not be asked to conduct performance appraisals or handle disciplinary matters.

Only an employee who desires a Lead Hand opportunity will be considered for the position. The opportunity will be posted in all offices and stations to ensure Local 975 memberships are aware of the volunteer concept. The Company will review the capabilities of those who express an interest

Employees agreeing to take a Lead Hand assignment will not be required to change shifts, and other Local 975 employees will not experience shift changes due to someone else being made Lead Hand.

The Company will notify the Union of all Lead Hand assignments exceeding one-month (1) duration. For assignments expected to exceed three (3) months in a twelve-month (12) period, the Company and the Union must be in mutual agreement. Training positions will not exceed six months without mutual agreement.

**LETTER OF UNDERSTANDING #13
TEMPORARY RE-ASSIGNMENT OF C&M EMPLOYEES**

From time to time the Company is required to perform C&M work outside the hours of the regular day shift. Because it is not practicable at this time to set up new shifts to do this work, the Company requires that employees temporarily change their hours of work so that the work can be completed on a timely and cost effective basis. The Union recognizes the need of its C&M day shift crews on an "as needed" basis, and that for the first eight (8) hours per day of these rearranged hours, employees agreeing to change hours will be paid at straight time.

- The Union executive and the involved employee will be given as much notice as possible of the impending schedule change
- For the purpose of Article twenty three (23) the re-assigned hours will be considered "regular hours" for the duration of the reassignment. Overtime clauses will apply accordingly.

LETTER OF UNDERSTANDING #14
Re: OPERATIONS TECHNICIAN POSITION

It is understood and agreed that effective upon ratification, the new position of Operations Technician will be established in accordance with the Operations Technicians Agreement in Principle dated September 30, 2002.

1. Rates of Pay

* Operations Technician I	\$24.87/Hr.
* Operations Technician II	\$23.53/Hr.
* Operations Tech. In Training	\$21.82/Hr.

2. Transition of Employees

A. Utility Fitter 1's

Current employees in this classification who transition into the Operations Technician position will receive a \$2000.00 lump sum bonus as soon as they are accepted into the Operations Technician training position and begin training. They will receive a further \$2000.00 lump sum bonus upon successful completion of the Operations Technician I designation level.

B. Gas Technicians

Current employees in this classification who transition into the Operations Technician position will have their rate adjusted upward to the Operations Technician 1 rate of pay as soon as they are accepted into the Operations Technician in training position and begin training.

C. New Employees

New Employees hired after the date of ratification will commence employment in the Operations Technician in Training position and will receive the training position rate of pay. New employees will not be eligible for the bonuses referred to in "A" above.

D. Number of Positions and Timing

Over the next two (2) years the position requirements will be as follows;

Effective April 1, 2003 -- 23 positions minimum
Effective April 1, 2004 -- 47 positions minimum

OPERATIONS TECHNICIAN POSITION

This document contains the terms and conditions for the establishment of the Operations Technician.

1. Transition Period:

- This transition will occur over approximately a 5 year period.

2. Staffing Levels:

- At the end of the 5 year transition period, the intent is to convert all Gas Technician and Utility Fitters to this new position. The field staff consists of Gas Technicians and Utility Fitters from Construction Maintenance and Operations.

3. Job Postings and Selection:

- Operations Technician in Training positions will be posted by Operations Station (not Region).
- These postings will be posted in conjunction with the scheduled training.
- Selection is based on seniority from existing Gas Technicians and Utility Fitters by Station.
- For each cycle of postings, the ratio of Gas Technicians vs. Utility Fitters that are accepted, will be proportional to the mix at the Station.

4. Right of Refusal:

- By seniority, 20% of the Utility Fitters and Gas Technicians from each Station will have the right to refuse this transition. This would include employees nearing retirement.
- More than 20% exemption rate will be dealt with as they arise, by the Company.

5. Utility Fitter 1:

- There will still be a need to keep a small compliment of Utility Fitter 1 to complete residential work, and commercial work for appliance over 400,000 BTU's.
- The total number of positions required has not been determined.

6. Operation Technician Training Opportunity:

- The current "Operation Technician Training Opportunity" participants will continue until they are successful applicants to the Operation Technician position.

7. Duties and Responsibilities:

- Perform service and main installations, abandonment's, and tie-ins
- Locate underground plant using company records and electronic equipment
- Respond to and investigate incidents and emergencies
- Install and maintain meter sets and associated plumbing
- Inspect & activate gas fired appliances, components and piping systems to ensure compliance with all applicable codes and standards
- Reactivate appliances after service interruption
- Create and complete accurate records to record all work performed
- Maintain and repair buried and above ground gas distribution plant
- Perform duties in compliance with company and legislation policies, procedures and safety regulations

8. Qualifications

- Effective verbal and written communication skills with both internal and external customers
- Comprehensive knowledge of company service and operations and maintenance policy and procedural manuals
- Working knowledge of the Occupational Health and Safety Act and Regulations
- Comprehensive knowledge of company records systems including the ability to accurately interpret and/or make drawings, specifications, and other documentation
- Ability to utilize and interpret diagnostic equipment such as multi-meters, Dwyer slope gauge, combustible gas indication equipment, etc.
- Ability to operate and maintain various tools and equipment
- Ability to perform tasks that require significant physical effort
- Valid Gas Technician I Designation
- Valid Enbridge Gas Distribution PE Fusion Certificate
- Valid G2 Fitter License
- Valid class G drivers license (A, D license, or Z endorsement required as needed)

9. Progression

- Will be hired as Operations Technician in training
- Spend up to 2.5 years in field training/experience
- Complete Gas Technician 2 training course and test (per Article 27.02)
- Complete G2 Technician Training program & tests (20 weeks formal training + 6 weeks field service orientation)
- Progress to Operations Technician 2
- Spend up to 2 years additional field training/experience
- Complete Gas Technician 1 training course and test (per Article 27.02)
- Progress to Operations Technician I

Note: Employees with existing licenses or qualifications may enter at an intermediate level and progress more quickly to Operations Technician I

<u>Position</u>	<u>Entry Qualification</u>	<u>Minimum Time</u>	<u>Maximum Time</u>	<u>Notes</u>
Operations Technician II	No license	1.5 yr.	2.5 yr.	Includes G2 course Service Procedures Training and Gas Tech II course
Operations Technician I	No license	2 yr.	4 yr.	Includes Gas Tech I course
Operations Technician II	Employee with G2 or G I	1 yr.	2 yr.	Includes Gas Tech II course
Operations Technician I	Employee with G2 or G I	2 yr.	4 yr.	Includes Gas Tech I course
Operations Technician I	Employee Gas Tech 1	6 mths.	1 yr.	Includes G2 course Service Procedures training

**LETTER OF UNDERSTANDING#15
CHANGE IN PAY PERIODS**

It is understood and agreed to by both parties, that the Company may institute a change in the pay period cycles from weekly to bi-weekly, during the term of this agreement.

The Company will provide the Union with six **(6)** month's advance notice, including a transition plan from the current weekly pay period to a bi-weekly pay period which includes the payment in advance for week two.

It is anticipated that the new pay cycle will have each employee paid actual hours of work for week one and basic hours of work for week two, to be paid at the end of week two. Adjustments for overtime and time off in week two will be paid in the following bi-weekly pay period.

LETTER OF UNDERSTANDING#16 SEVERANCE

1. Severance

It is understood and agreed that an employee in a job identified as redundant, and where no redeployment option is available will be eligible for severance pay of two (2) weeks base regular pay per year of completed continuous service to a maximum of fifty-two (52) weeks and a minimum of six (6) weeks.

Option "A" (Salary Continuation)

Employees who elect option "A" will be paid an amount equal to their base regular rate of pay, for the approximate number of weeks based on the severance formula. In the event that they secure alternative employment before the end of this period, they will be paid a lump sum, which represents fifty percent (50%) of the remaining severance entitlement.

Option "B" (Lump Sum Payment)

Employees who elect option "B" will be paid a lump sum amount that represents eighty percent (80%) of their total entitlement based on the severance formula.

As a condition of accepting this severance pay, the employee will resign from the company and waive any seniority or recall rights

2. Voluntary Severance

It is understood and agreed that within the job classification of an employee whose position has been declared redundant, and is about to be laid off, that employee and others in their job classification may offer to take severance and resign from the Company based on the terms and conditions of #1 above.

The Company may accept a resignation but only if the affected employee is qualified and willing to take the opening created by the employee resigning. If more resignations are offered than required, seniority governs subject to the foregoing. The Company will co-operate with requests to assist employees in maximizing RRSP retiring allowance provisions with respect to the final payment of severance.

The Company will give consideration to providing severance to non-affected employees on a case by case basis

3. Terms & Conditions

The terms and conditions of this letter of understanding will remain in force from the date of ratification to December 31, 2003.

**LETTER OF UNDERSTANDING#17
JOB CLASSIFICATIONS**

The Company agrees to maintain the Welder classification in the Niagara region and the Welders Helper classification in the Central region until such time **as** the current incumbents no longer hold these positions.

LETTER OF UNDERSTANDING #18
Re: EMPLOYEE WORKFORCE MODEL

The Company and the Union have a mutual desire to ensure business success now and in the future through the utilization of our employees. The following three (3) initiatives; the Contractor Relationship Alliance, the Implementation of the Operations Technician and Implementation of Field Force Technology, will require the Company and the Union to jointly review and examine our current work practices, and to jointly develop and implement new and innovative solutions to deal with the changing work environment.

The following issues will be reviewed:

- Hours of Work
- Shifts
- Distribution of Work
- Type of Work

This **list** may be augmented with issues that are mutually agreed by both parties.

The Employee workforce Model Committee will consist of an equal number of Company and Union representatives and will meet within thirty (30) days of ratification. Recommendations of the Committee will be presented to the respective Bargaining Teams on or before September 30, 2003. **The** Company and the Union bargaining teams will meet on or before October 15, 2003 to review and discuss the recommendations of the Committee.

LETTER OF UNDERSTANDING#19
Re: FORMER ENBRIDGE COMMERCIAL SERVICES, OPERATIONS
EMPLOYEES

It is understood and agreed that effective upon ratification, all former Enbridge Commercial Services, operations employees will have their rate of pay increased by 60 cents per hour. Effective December 31, 2003 operations employees will have their rate of pay adjusted to accord with the rates of pay set out in Article 27.05 of the Collective Agreement.

LETTER OF UNDERSTANDING #20
Re: EARNED DAYS OFF (EDO's)

- A) Employees shall be allowed to accumulate time at a rate of one half hour per day at straight time and be permitted to take one full day off in lieu of these accumulated hours. The hours shall be accumulated at the start of a shift, the end of a shift or during a one hour lunch period. Participation in this program shall be voluntary.
- B) This program shall start May 15, 2003 and allow a maximum of three earned days off until December 31, 2003.
- C) Effective calendar year 2004, a maximum of five earned days off will be permitted.
- D) The process of accumulating and granting EDO's will be developed and presented to the Union on or before May 1, 2003.
- E) These days are to be arranged by mutual agreement between the employee and the supervisor.
- F) EDO's must be used in the calendar year that they are received. They cannot be carried over into the next calendar year or paid out. Employees who leave the Company before taking their EDO's will not be entitled to have these days liquidated.
- G) This program does not prohibit the development of alternate compressed work schedules.

**LETTER OF INTENT #1
VACATION**

If during the term of the Collective Agreement, the company makes an amendment to the service eligibility requirement for **six** (6) weeks vacation applicable to non-bargaining unit employees, the Company agrees to apply such amendments to those employees covered by this agreement.

LETTER OF INTENT #3
Re: FLEX BENEFITS

1. It is understood and agreed that during the term of the collective agreement, the flex credit formula and level/coverage will not change.
2. Effective April 1, 2003 there will be an increase to prices for Extended Health and Dental coverage. The Company will absorb half of this increase, resulting in a 6% increase to the price of coverage for these specific programs.
3. Within thirty (30) days of contract ratification, employees will be required to re-enroll in the Enbridge Personal Choice benefits program.